



Ernie Fletcher  
Governor

Teresa J. Hill, Secretary  
Environmental and Public  
Protection Cabinet

Timothy J. LeDonne  
Commissioner  
Department of Public Protection

Commonwealth of Kentucky  
**Public Service Commission**  
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Mark David Goss  
Chairman

John W. Clay  
Vice Chairman

Caroline Pitt Clark  
Commissioner

October 18, 2007

TO: PARTIES OF RECORD  
RE: Case No. 2007-00410  
Louisville Gas and Electric Company

Enclosed is a memorandum that has been filed in the record of the above-referenced case. Any comments regarding the content of this memorandum should be submitted to the Commission within five days of receipt of this letter. Questions regarding this matter should be directed to Richard Raff at 502/564-3940, Extension 263.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell", written over a large, stylized oval flourish.

Beth O'Donnell  
Executive Director

vh/  
Enclosure

**INTRA-AGENCY MEMORANDUM**

**KENTUCKY PUBLIC SERVICE COMMISSION**

**TO:** File

**FROM:** Chris Whelan, Team Leader <sup>MCW</sup>

**DATE:** October 16, 2007

**RE:** Case No. 2007-00410 – Revised Collection Cycle for Payment of Bills

On October 15, 2007, Commission Staff held a telephone conference (“IC”) with Louisville Gas and Electric Company (“LG&E”) and the Attorney General (“AG”). The purpose of the IC was to discuss the language and method of LG&E’s notice to customers of its application to reduce the bill payment due date from 15 days to 10 days from the date of rendition. This notice as well as a sample customer bill with proposed changes was e-mailed by LG&E to the parties of record on Friday, October 12, 2007 (attached for the Main Case File only).

The AG and Commission Staff agreed that the notice language was sufficient with the exception that Commission Staff requested customers be told to reference Case No. 2007-00410 when filing comments to the Commission. LG&E agreed to add this language. Commission Staff also requested that the notice appear as the first item in the information box on the customer bill. Time constraints being an issue, LG&E was not certain it could comply with this request but stated that if it were able to put the notice at the top of the information box, it would do so.

LG&E stated that, once begun, the process of notifying customers will take approximately 21 working days. When completed, LG&E agreed to file with the Commission the dates the company began notifying customers and the date the process was completed. Included in this filing will be a generic copy of a bill used to notify the customers.

All parties agreed that the deadline for filing comments on the merits of LG&E’s application would be November 15, 2007. LG&E continues to request that an order be issued in this case by November 21, 2007. If that is not feasible, the company requests that an order be issued as close as possible to that date.

Commission Staff initiated a discussion regarding a note on the sample customer bill which stated that the address for mailing LG&E payments had changed to a post office box in Atlanta, Georgia. LG&E stated that it and KU have outsourced payment processing to a third party.

cc: Parties of Record

Attachments: Notice Language and Sample Customer Bill (Main Case File only)

Lonnie E. Bellar  
E.ON U.S. Services, Inc.  
220 West Main Street  
Louisville, KY 40202

Honorable Dennis G. Howard II  
Assistant Attorney General  
Office of the Attorney General  
Utility & Rate Intervention Division  
1024 Capital Center Drive  
Suite 200  
Frankfort, KY 40601-8204

Honorable Allyson K. Sturgeon  
Attorney at Law  
E.ON U.S. Services, Inc.  
220 West Main Street  
Louisville, KY 40202

On September 14, 2007, LG&E applied, in Case No. 2007-00410, to change the due date for payment of your gas and/or electric bill from 15 days to 10 days from the date of issue. There would be no change in the late payment charge, which is assessed 15 days from the date the bill is issued; the change, if approved, would be effective in early 2009. To comment on LG&E's application, notify the Kentucky Public Service Commission in writing at 211 Sower Boulevard, Frankfort, KY 40602 or by phone at 1-800-772-4636.



Customer Service: (502) 589-1444 Mon-Fri 7AM-7PM(EST)  
 Walk-In Center Hours: Mon-Fri 8AM-5PM(EST)  
 Telephone Payments: (800) 780-9723  
 Power Outage Reporting: (502) 589-3500  
 www.eon-us.com

DUE DATE	AMOUNT DUE
10/22/07	\$186.59

Pay your bill easily, even automatically! Sign up for our Automatic Bank Club to have your payments automatically deducted from your bank account. Check the box on the back of your bill stub to sign up.

ACCOUNT INFORMATION	
Account Number:	0000-0000-0000-0 7
Account Name:	RESIDENT CUSTOMER
Service Address:	1234 Resident Rd
Next Read Date:	11/07/07

BILLING SUMMARY	
Previous Balance	262.52
Payment as of 10/10	(262.52)
Balance as of 10/10	0.00
Electric Charges	159.33
Gas Charges	27.26
Utility Charges as of 10/10	186.59
<b>Total Amount Due</b>	<b>186.59</b>

Averages for Billing Period	This Year	Last Year
Average Temperature	75°	65°
Number of Days Billed	29	31
Electric/kwh per day	81.6	37.1
Gas/ccf per day	0.6	0.9

### ELECTRIC CHARGES

**Rate Type: ELECTRIC RESIDENTIAL**

Customer Charge	5.00	Meter Reading Information	
Energy Charge	142.91	Meter # 373443	
<b>Other Charges For Above Rates</b>		Actual Reading on 10/09	65852
Electric Fuel Adjustment (\$.00586 x 2368 kwh)	13.88	Previous Reading on 09/10	63484
Electric Residential DSM (\$.00084 x 2368 kwh)	1.99	<b>Current kwh Usage</b>	<b>2368</b>
Environmental Surcharge (0.590% x \$163.78)	0.97	Meter Multiplier	1
Merger Surcredit (2.431% CR x \$164.75)	-4.01	<b>Metered kwh Usage</b>	<b>2368</b>
Value Delivery Surcredit (0.940% CRx \$160.74)	-1.51		
Home Energy Assistance Fund Charge	0.10		
<b>Total Electric Charges</b>	<b>\$159.33</b>		

Please see reverse side for additional charges.

Bring entire bill when paying in person.

Customer Service (502) 589-1444

**PLEASE RETURN THIS PORTION WITH YOUR PAYMENT**

Account Number
0000-0000-0000-0 7

Payment Due Date	Amount Due by Due Date	Amount Due 5 Days After Due Date	Winter Help Donation	Amount Enclosed
10/22/07	\$186.59	\$195.92		\$

Check here if plan(s) requested on back of stub

Home Phone (502) 555-5555

OFFICE USE ONLY: 00  
 C06, R0066, G999999  
 P262.52



PO BOX 537108  
 ATLANTA, GA 30353-7108

#BWNGGLS  
 #000000000000 0 1#  
 MR CUSTOMER  
 MRS CUSTOMER  
 1234 RESIDENT RD  
 LOUISVILLE KY 40214-3843

PRINTED ON RECYCLED PAPER

Service Address: 1234 Resident Rd

01000000000000007000000019592000000186590000000000010

**GAS CHARGES**

**Rate Type: GAS RESIDENTIAL**

Customer Charge	8.50	Meter Reading Information	
Gas Distribution Charge	2.78	Meter # 387987	
Gas Supply Component (\$ .88221 x 18 ccf)	15.88	Actual Reading on 10/09	1492
		Previous Reading on 09/10	<u>1474</u>
<b>Other Charges For Above Rates</b>		<b>Current ccf Usage</b>	<b>18</b>
Gas Residential DSM (\$ .00736 x 18 ccf)	0.13	Meter Multiplier	<u>1</u>
Value Delivery Surcredit (0.490% CRx \$27.29)	-0.13	<b>Metered ccf Usage</b>	<b>18</b>
Home Energy Assistance Fund Charge	0.10		
<b>Total Gas Charges</b>	<u>\$27.26</u>		

**BILLING INFORMATION**

Late Charge to be Assessed 5 Days After Due Date \$9.33

**Merger Surcredit:** The surcredit represents the customer's share of merger-related savings associated with the merger of LG&E and KU.

**IMPORTANT INFORMATION**

**The power to save. It's in your hands.** The amount of electricity you consumed during this billing cycle resulted in the production of approximately 4736 pounds of CO2. *A typical residential customer uses 1,000 kilowatt hours of electricity per month, which would result in the production of 2,000 lbs. of carbon.*

You can reduce these emissions and your energy usage by switching to Compact Fluorescent Lighting (CFL). Take control by switching five of the highest used light bulbs in your home to CFL bulbs to prevent about 1,900 pounds of greenhouse gas emissions. You'll also save more than \$60 each year in energy costs.

To request a copy of your rate schedule, please call (502) 589-1444.

Please note that the address for mailing LG&E payments has changed. The new address, effective immediately, is LG&E, PO Box 537108, Atlanta, GA 30353-7108.

New enrollment only - **Please check box(es) below and on front of stub.**

- Budget Plan
- Automatic Bank Club (voided check must be provided)

***Please deduct my Automatic Bank Club Payment from my Checking Account.***

*I hereby authorize LG&E to debit my bank account for payment of my monthly bill. This authorization applies to all my current and future LG&E accounts, and will remain in effect until revoked by me or LG&E.*

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

*Processing Automatic Bank Club requests can take up to two billing cycles. Please continue making regular payments until you receive a bill that indicates the amount due will be deducted from your bank account on the payment due date.*